



# COUNTY OF LOS ANGELES

## DEPARTMENT OF PUBLIC WORKS

*"To Enrich Lives Through Effective and Caring Service"*

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**GAIL FARBER, Director**

ADDRESS ALL CORRESPONDENCE TO:  
P.O. BOX 1460  
ALHAMBRA, CALIFORNIA 91802-1460

March 29, 2011

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**AUTHORIZE CONSULTANT SERVICES AGREEMENT AMENDMENT NO. 1  
DEVELOPMENT OF COMPREHENSIVE MASTER PLAN FOR THE  
LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, ANTELOPE VALLEY:  
RETAIL WATER RATES STUDY FOR THE LOS ANGELES COUNTY  
WATERWORKS DISTRICTS AND THE MARINA DEL REY WATER SYSTEM  
(SUPERVISORIAL DISTRICTS 3, 4, AND 5)  
(3 VOTES)**

**SUBJECT**

This action is to approve Amendment No. 1 to a consultant services agreement with Kennedy/Jenks Consultants for professional services to complete a comprehensive retail water rates study for the Los Angeles County Waterworks Districts and the Marina del Rey Water System.

**IT IS RECOMMENDED THAT YOUR BOARD ACTING AS THE GOVERNING BODY OF THE LOS ANGELES COUNTY WATERWORKS DISTRICTS AND THE MARINA DEL REY WATER SYSTEM:**

Authorize the Director of Public Works or her designee to negotiate and execute Amendment No. 1 to a consultant services agreement with Kennedy/Jenks Consultants for the completion of a comprehensive retail water rates study for the Los Angeles County Waterworks Districts and the Marina del Rey Water System for an additional not-to-exceed fee of \$196,559, bringing the total contract cost to \$880,559.

## **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of the recommended action is to authorize Kennedy/Jenks Consultants to complete a comprehensive retail water rates analysis for the Los Angeles County Waterworks Districts and the Marina del Rey Water System.

On September 15, 2009, your Board of Supervisors (Board) awarded a consultant services agreement to Kennedy/Jenks Consultants for the development of a comprehensive Master Plan for the Los Angeles County Waterworks District No. 40, Antelope Valley (District No. 40).

In the original proposal dated March 30, 2009, Kennedy/Jenks Consultants had included an optional task for preparing a Water Financial Plan that included analysis of existing District No. 40 water rate and finances and developing capital infrastructure financing and water rate. In the final contract, the scope of work only included analysis for the capital infrastructure financing and not for the water rate. We are now recommending expanding the scope of work to include the water rate analysis, as originally proposed, and also include the analysis for the other Waterworks Districts.

In November 2009 the California Legislature enacted Legislative Bill SBX7-7, which required all water retailers to reduce per capita water use by 10 percent by 2015 and by 20 percent by 2020. To comply with the State requirements of water use reduction, retail water agencies are adopting a water-budget-based rate structure that is designed to meet each user's water need. Kennedy/Jenks Consultants has over 20 years of experience in water utility financial analysis, water conservation programs, and water supply planning. The combination of their diversity of expertise in these areas makes them an ideal candidate for this work.

## **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan directs the provision of Operational Effectiveness (Goal 1) and Community and Municipal Services (Goal 3). The recommended actions will help meet these goals by providing reliable water supply to our customers through effective water demand management.

## **FISCAL IMPACT/FINANCING**

There will be no impact to the County General Fund. The recommended amendment will be for an amount not to exceed \$196,559. Funding for the amendment is available in the Fiscal Years 2010-11 and 2011-12 Los Angeles County Waterworks District No. 40, Antelope Valley, Accumulative Capital Outlay Fund.

## **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The amendment will be in the form previously reviewed and approved by County Counsel. The original contract was solicited on an open competitive basis and is in accordance with applicable Federal, State, and County requirements. The contractor is in compliance with the Chief Executive Officer's and your Board's requirements.

The original contract and amendments contain terms and conditions supporting your Board's ordinances, policies, and programs, including, but not limited to, the County's Greater Avenues for Independence (GAIN) and General Relief Opportunities for Work (GROW) Programs, Board Policy No. 5.050; Contract Language to Assist in Placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract

Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Employee Jury Service Program, Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code Chapter 2.202; the Los Angeles County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; and the standard Board directed clauses that provide for contract termination or renegotiation.

Data regarding the proposers' minority participation is on file with the Department of Public Works. The contractor was selected upon final analysis and consideration without regard to race, creed, gender, or color.

### **ENVIRONMENTAL DOCUMENTATION**

Award of an agreement is not a project subject to the provisions of the California Environmental Quality Act (CEQA) because the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment in accordance with Public Resources Code, Section 21065, and CEQA Guidelines, Section 15378.

### **CONTRACTING PROCESS**

Pursuant to the California Government Code, Section 4526, et seq., on August 16, 2006, the Department of Public Works sent out a Request for Proposals to develop a select list of engineering consultants to provide design and construction support services for the construction of water system facilities. The proposals were sent to 35 firms, advertised on the County's web page, listed on the Office of Small Business website, and placed in several publications. In their selected order, the firms determined to be best qualified were Tetra Tech, Inc.; Lee & Ro, Inc.; Kennedy/Jenks Consultants; Brockmeier Engineers, Inc.; and CDM. The firms are assigned work with abridged Requests for Proposals in the selected order, and the award of the contract was pursuant to the order of the firms' proposal rankings.

Participation by the Community Business Enterprises (CBE) is encouraged through the Department of Public Works' CBE Outreach Program and the requirement that consultants demonstrate their good faith efforts to utilize CBEs. Kennedy/Jenks Consultants is aware of the Department of Public Works' CBE Outreach Program and their proposed CBE participation is on file with the Department of Public Works.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

This amendment will enable the Los Angeles County Waterworks Districts to cost-effectively obtain water rates and financial analysis needed to comply with the laws of the State of California.

**CONCLUSION**

Please return two adopted copies of this letter to the Department of Public Works, Waterworks Division.

Respectfully submitted,

A handwritten signature in black ink that reads "Gail Farber". The script is cursive and fluid, with the first letters of each word being capitalized and prominent.

GAIL FARBER  
Director

GF:AA:dvt

c: Chief Executive Office (Rita Robinson)  
County Counsel  
Department of Public Social Services  
(GAIN/GROW Program)  
Executive Office